

State of Maryland
FY 2009 Furlough and Temporary Salary Reduction Plan

More Frequently Asked Questions
January 27, 2009

Can an FLSA-exempt employee (i.e., an employee who is ineligible to earn cash overtime) work overtime during a week in which furlough time is taken?

No. Even though FLSA-exempt employees earn compensatory time, not cash, while in an overtime status, every effort should be made to avoid overtime work during a week in which furlough time is taken, whether the employee is FLSA-exempt or non-exempt.

How do you calculate furlough time for part-time and contractual employees?

The calculation for part-time and contractual employees is on a prorated basis, based on the employee's regular rate of pay if the employee was a full-time employee (FTE). For example: a 50% employee who would have a full-time salary of \$70,000 would be required to take 3 furlough days (24 furlough hours). After prorating for the 50% position, the employee would be required to take 1 and ½ days or 12 hours of furlough time.

Will an employee hired after January 2, 2009 be subject to the temporary salary reduction, even though the employee did not receive administrative leave on December 26, 2008 and January 2, 2009?

Yes.

Are employees who work a compressed workweek schedule required to use earned leave to balance out the remainder of an eight-hour furlough day?

Employees who work a compressed workweek schedule may request a temporary schedule change to a five-day, eight-hour workweek if they do not wish to use earned leave to balance out the remainder of an eight-hour furlough day (for example, by taking two hours of annual leave).

Whenever possible, supervisors are urged to permit an employee on a compressed workweek to make such a change to accommodate the taking of furlough time. Alternatively, supervisors may permit an employee who cannot be granted a temporary schedule change the opportunity to work the remainder of the day.

Will the furlough days be prorated for new employees who begin service with the State after January 14, 2009 but before June 30, 2009?

Yes. The chart below prorates the number of furlough days/hours for new employees. Please use this chart to assign furlough days/hours to new employees with entry-on-duty dates on or after January 14, 2009.

Prorate Furlough Days for New Employees:

| Start Date | Salary \$40,000 to \$59,999 | Salary \$60,000 and above |
|----------------------|------------------------------------|----------------------------------|
| On or Before Feb. 28 | 2 days (16 hrs) | 3 days (24 hrs) |
| March 1 – March 31 | 1 1/2 days (12 hrs) | 2 days (16 hours) |
| April 1– April 30 | 1 day (8 hrs) | 1 and 1/2 (12 hours) |
| May 1 – May 31 | 1/2 day (4 hrs) | 1 day (8 hours) |
| On or After June 1 | 0 days | 0 days |

How will the reduced salaries be applied to employees in slope scale classes?

The minimum and maximum range salary of slope scale classes included in the Plan will be reduced. The reduced minimum – maximum salary of slope scale classes is indicated in the Temporary Reduced Salary Schedules (Executive Pay Plan), and for agency-unique titled classes, the reduced minimum – maximum salary range will be provided in the Temporary State Salary Plan or the February 11, 2009 Title Rate File, which will be posted on the DBM website. The reduced salary of individual employees in slope scale classes included in the furlough plan will be implemented by DBM on a system-wide basis and no MS-310 action is required by the agency.

How is the salary of a new employee determined as a result of the FY 2009 Furlough and Temporary Salary Reduction Plan?

The salary of a new employee, whether permanent or contractual, is based on the employee's classification and the hire date. Based on position function and class code, the employee either will be subject to the Plan or not subject to the Plan. For appointments prior to February 11, 2009, the salary of employees in graded and slope scale classifications will be based on the current FY 2009 Salary Schedules as indicated in the current FY 2009 State Salary Plan and Title Rate File. These employees will then experience the salary reduction effective February 11, 2009 in accordance with the Temporary Reduced Salary Schedules depending on the employees' class code.

For appointments on or after February 11, 2009, through June 30, 2009, the salary of employees in graded and slope scale classes will be based on whether the position function is subject to the Plan or not subject to the Plan. If the employee is subject to the Plan, the Temporary Reduced Salary Schedules must be used for the appointment. The Temporary Reduced Salary Schedules (effective February 11, 2009 – June 30, 2009) will apply to new employees hired into classes included in the Plan. The current FY 2009 Salary Schedules will apply to new employees hired into classes not included in the Plan.

The reduced salary range of slope scale classes included in the Plan will be provided in the Temporary State Salary Plan on February 11, 2009 Title Rate File, which will be posted on the DBM website.

Will the temporary salary reduction rates apply to employees receiving acting capacity pay?

Acting pay must be re-calculated any time there is a change in the salary of the employee's permanent classification. Therefore, if the employee's permanent classification is a classification included in the Plan, the salary will be reduced effective February 11, 2009 and the acting pay must be re-calculated in accordance with the Promotional Salary Guidelines.

If the acting classification is included in the Plan, the employee's acting salary would be the salary step indicated in Temporary Reduced Salary Schedules (effective February 11, 2009 – June 30, 2009). If the acting classification is not included in the Plan, the employee's acting salary would be the salary step indicated in the current FY 2009 Salary Schedules.

Is there a date by which employees should have furlough time scheduled?

We strongly suggest that employees schedule their furlough time no later than June 1, 2009, unless an earlier date is specified by an employee's employing agency. If employees have not scheduled furlough time by June 1, 2009, we urge agencies to contact the affected employees and establish the dates on which the employee will take furlough time in order to ensure that all employees required to take furlough time do so prior to July 1, 2009.